



SECTION 1. SOME INDICATORS OF THE LABOR MARKET

1. Some main indicators

Table 1. Some main indicators of the economy and labor market

Indicator	2016			2017	
	Q2	Q3	Q4	Q1	Q2
1. GDP growth rate (%)	5.8	6.6	6.7	5.1	6.2
2. Export turnover growth (% compared to the same period last year)	5.9	6.7	8.6*	12.8	18.9**
3. Total capital investment per GDP (%)	32.9	33.10	33.0*	33.5	32.8**
4. Consumer Price index (% compared to the same period last year)	1.72	2.07	2.66*	4.96	4.15**
5. Labor force (million people)	54.36	54.44	54.56	54.51	54.52
6. Labor force participant rate (%)	76.62	76.65	76.82	76.55	76.45
7. Rate of trained laborers with diplomas/certificates (%)	20.62	21.50	21.39	21.52	21.60
8. Employment (million people)	53.24	53.27	53.41	53.36	53.40
9. Rate of salaried workers in total employment(%)	41.26	41.03	41.62	42.16	42.77
10. Rate of jobs in agriculture, forestry and fisheries industry in total employment (%)	42.02	41.61	41.54	40.50	40.44
11. Average income of salaried workers (million dong)	4.85	4.93	5.08	5.40	5.20
12. Number of unemployed people at working age (thousand people)	1088.7	1117.7	1110.0	1101.7	1081.6
13. Unemployment rate at working age (%)	2.29	2.34	2.31	2.30	2.26
13.1. Urban unemployment rate (%)	3.11	3.23	3.24	3.24	3.19
13.2. Youth unemployment rate (aged- 24) (%)	7.10	7.86	7.28	7.29	7.67

Source: GSO (2015, 2016), Quarterly Labor-Employment Survey and Statistical Data (2017)

, Report on socio-economic status quarter 1, 2017

(*) all-year data (**) the first 6-month data

The economy in quarter 2/2017 sees the recovery, the growth rate reaches 6.2%, higher than quarter 1/2017 and the same period last year. The labor market witnesses insignificant changes: the number of employed people and

the rate of salaried workers increases; the unemployment rate decreases in quantity and proportion, however, the unemployment rate of the youth goes up.

2. Population aged 15 and over and the labor force

In quarter 2/2017, the number of population aged 15 years old and over reaches 71.85 million, increasing 1.4% compared to quarter 2/2016, the female rate rises 1.14%; the rate in urban areas increases 0.08%.

The scale of the labor force aged 15 and older reaches 54.52 million, increasing by 0.3% compared to Q2 2016, female rate goes down by 0.31% while urban area rate increases by 0.28%.

Table 2. Size and labor force participation rate of population aged 15 and over

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
1. 1. Population aged 15 and over (Million people)					
General	70.85	71.03	71.58	71.71	71.85
Male	34.46	34.58	34.81	34.94	35.04
Female	36.39	36.45	36.76	36.77	36.80
Cities	25.07	24.86	25.12	25.13	25.09
Rural areas	45.78	46.17	46.46	46.58	46.75
2. Labor force (Million people)					
General	54.36	54.43	54.56	54.51	54.52
Male	28.09	28.08	28.14	28.30	28.33
Female	26.28	26.35	26.41	26.21	26.20
Cities	17.48	17.53	17.55	17.52	17.53
Rural areas	36.88	36.90	37.01	36.98	37.00
3. Labor force participation rate * (%)					
	77.23	77.34	76.82	76.55	76.45

Source: GSO (2016, 2017), Quarterly Labor Force Survey..

* Only those who are currently working in Vietnam are taken on account of

The labor force participation rate of the population aged 15 and over in the second quarter of 2017 is 76.45%, seeing a decrease compared to Q1 2017 and the same period last year.

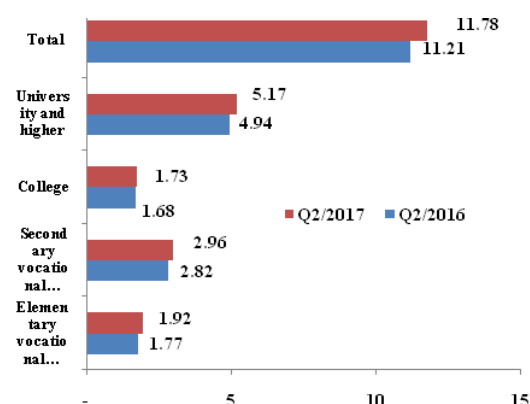
Regarding trained workers, there is a quicker increase in elementary and secondary vocational training group in Q2/2017

In Quarter 2/2017, the number of trained workers aged 15 and over having obtained diplomas and certificates of at least 3 months

is 11.78 million, going up 564 thousand people (5.03%). Of which, a significant increase is observed in the number of people who receive elementary vocational school (8.44%), followed by group of secondary vocational training (5.01%), group of university and postgraduate (4.64%) and college group (2.98%). The percentage of workers with university degree or higher is 9.09%; college is 3.17%; secondary vocational school is 5.43% and elementary vocational school is 3.53%.

Figure 1. Number of workers by technical expertise, quarter 2/2016 and quarter 1/2017

Unit: million people



Source: GSO (2016, 2017), Quarterly Labor Force Survey

In quarter 2/2017, the proportion of trained workers with certificate of at least 3 months is 21.6% of total labor force, increasing 0.98 percentage point compared to the same period last year.

3. Employment

The number of employed people increases slightly compared with the same period in 2016. The speed of labor structure change is slow.

In quarter 2/2017, the number of employed people is 53.40 million, increasing 164.3 thousand people (0.31%) compared to Q2/2016 and 39.7 thousand people (0,07%) compared to Q1/2017.

Table 3. Number of jobs and employment structure

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
1 Quantity (million people)	53.24	53.27	53.41	53.36	53.40
2 Ratio (%)	100.00	100.00	100.00	100.00	100.00
a Gender					
Male	51.64	51.52	51.55	51.77	51.82
Female	48.36	48.48	48.45	48.23	48.18
b Urban/Rural Areas					
Urban areas	31.88	31.91	31.84	31.82	31.82
Rural areas	68.12	68.09	68.16	68.18	68.18
c Economic industries					
AFTS	42.02	41.61	41.54	40.50	40.44
Industry- Construction	24.53	24.93	25.05	25.49	25.59
Service	33.45	33.46	33.41	34.01	33.97
d Job Status					
Owner	2.81	2.77	2.82	2.24	2.11
Self- employed	39.68	39.83	39.28	39.85	39.38
Household labor	16.24	16.28	16.20	15.72	15.71
Salaried workers	41.26	41.03	41.62	42.16	42.77
Cooperative members	0.02	0.09	0.08	0.03	0.03

Source: GSO (2016, 2017), Quarterly Labor Force Survey.

In Q2/2017, the ratio of salaried workers continues to increase, reaching 42.77%. The number of people working in non-state enterprises is 6.21 million people, increasing 38 thousand people compared to Q1/2017. The number of people working in household business also goes up by 824 thousand people compared to Q1/2017.

Table 4. Number of workers by forms of organizations

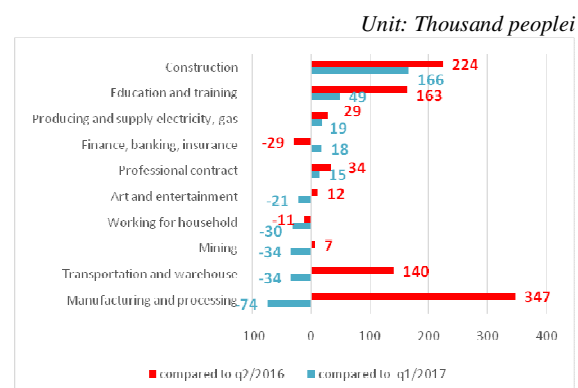
	Unit: million people	
	Q1/2017	Q2/2017
AFTS household	21.38	20.98
Individuals	2.81	2.36
Self-employed	14.82	15.64
Cooperative	0.10	0.11

Non-state	6.17	6.21
Non-state business unit	0.12	0.14
Legislature/ judicial authorities	1.12	1.16
State agency	0.43	0.41
Sate business unit	2.51	2.54
State enterprise	1.19	1.14
Foreign enterprise	2.68	2.68
Other organizations	0.04	0.03
Total	53.36	53.40

Source: GSO (2016, 2017), Quarterly Labor Force Survey

Compared to Q1/2017, the number of workers increases the most in “construction” industry (166 thousand people), followed by “education and training” (49 thousand people), “production and distribution of electricity, gas, hot water, steam and air conditioner” (19 thousand people), finance and banking” (18 thousand people).

Figure 2. Changes in employment in quarter 2/2017 by industries compared with quarter 2/2016 and quarter 1/2017



Source: GSO (2016, 2017), Quarterly Labor Force Survey

The number of employed people decreases the most in the following sectors: “manufacturing and processing” (a decrease of 74 thousand people, despite an increase of 347 thousand people compared to Q2/2016); “transportation and warehouse” (a decline of 34 thousand people in spite of an increase of 140 thousand people compared to Q2/2016); “mining” (a decrease of 34 thousand people); “working for household, producing self-consumption goods and service” (decrease 30

thousand people) and “art and entertainment” (decrease 21 thousand people).

Q2/2017, there is about 9.12% of workers considering their current jobs as not suitable with their training major; 1.86% of workers considering their current jobs as temporary jobs in wait of alternative jobs, of which 50% is looking for jobs and 80.6% is ready for new jobs if they have opportunities.

4. Income of salaried workers¹

In quarter 2/2017, the monthly income of salaried workers decreases compared to Q1/2017 but increases compared to the same period last year.

In quarter 2/2017, the average monthly income of salaried workers is 5.2 million, decreasing 197 thousand (3.6%) compared to Q1/2017, and increasing 349 thousand (7.2 %) over the same period in 2016.

Table 5. Average income of salaried workers

Unit: million dong

	2016		2017		
	Q2	Q3	Q4	Q1	Q2
General	4.85	4.93	5.08	5.4	5.20
Male	5.1	5.19	5.24	5.64	5.48
Female	4.51	4.58	4.85	5.08	4.82
Urban areas	5.68	5.76	6.03	6.11	6.08
Rural areas	4.16	4.25	4.3	4.58	4.53
Household/individual	4.03	4.1	4.16	4.16	4.34
Cooperative	3.55	3.21	3.66	3.79	3.83
Non-state enterprises	5.42	5.51	5.58	6.05	5.89
State enterprise	6.72	6.54	6.56	7.45	6.84
Non-state enterprise	5.53	5.56	6.36	6.62	5.89

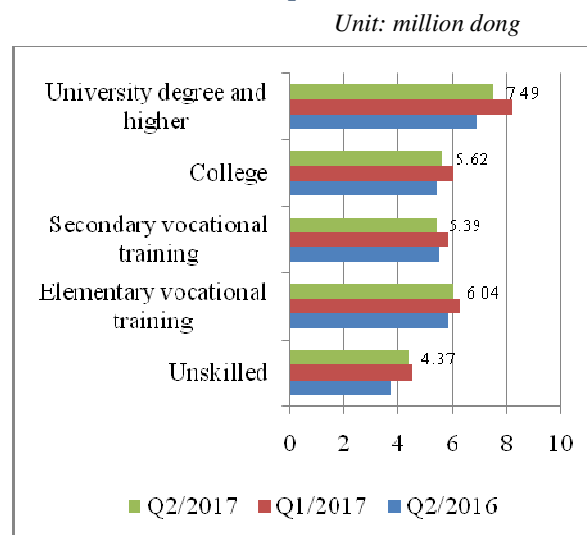
Source: GSO (2016, 2017), Quarterly Labor Force Survey

In Q2/2017, the highest income belongs to workers with university degree and higher (7.49 million dong), having the same downward tendency to other groups but with the highest decrease level (736 thousand dong, 8.9%). The noticeable point is that the income

¹ Only main jobs are taken into account

of workers at elementary level (6.04 million dong) is higher than that of workers at secondary level and college.

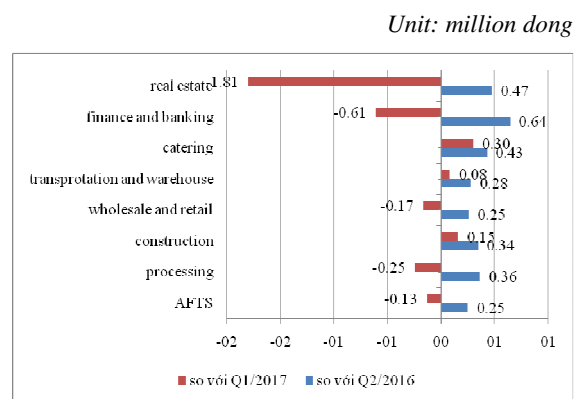
Figure 3. Monthly income of wage laborers by technical profession



Source: GSO (2016, 2017), Quarterly Labor Force Survey.

The majority of workers have income decrease compared to Q1/2017 (except for transportation, warehouse, accommodation and catering service) but have income increase compared to the same period in 2016.

Figure 4. Changes in monthly income of salaried workers by sectors



Source: GSO (2016, 2017), Quarterly Labor Force Survey

Q2/2017, the average income per hour of group of indefinite term labor contract is the highest (35.2 thousand dong), 1.79 time higher compared to the group of workers without labor contract (19.7 thousand dong),

the group of lowest income. The average income of workers with exchange contract is relatively high (23.2 thousand dong).

Q2/2017, there are 20.7% of salaried workers belonging to low income group (3.2 million dong per month²), decreasing compared to Q1/2017 (21.2%). Of which, 83.2% of workers do not have technical profession and 48.7% are manual workers.

5. Unemployment and underemployment

a. Unemployment

The unemployment rate decreases slightly in quantity and proportion, that in group of tertiary level and higher and group of youth increases strongly compared to Q1/2017.

In quarter 2/2017, the country has 1,081.6 thousand people unemployed at the working age, decreasing by 20.1 thousand people compared with the first quarter of 2017 and 7.1 thousand people compared with Q2 2016. The unemployment rate declines slightly to 2.26%, lowest rate in the lastest 5 quarters.

Table 6. Number of unemployed people by sex, urban / rural residence and age group

Unit: thousand people

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
General	1,088.7	1,117.7	1,110.0	1,101.7	1,081.6
Male	574.4	619.4	598.7	654.8	641.7
Female	514.4	498.4	511.3	446.9	439.9
Urban areas	495.2	515.7	520.3	518.3	510.5
Rural areas	593.5	602.0	589.7	583.4	571.1
Young adults (15-24)	567.7	642.6	586.7	548.5	575.1
Adults (≥25)	521.1	475.1	523.3	553.3	506.6

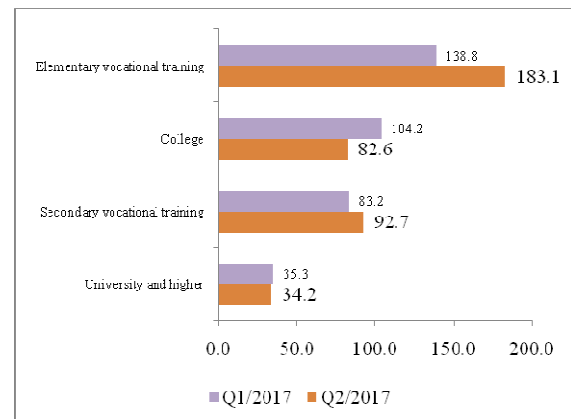
Source: GSO (2016), Quarterly Labor Force Survey;

² is income level that is lower than 2/3 median income

The number of unemployed people with university degree and higher is 183.1 thousand people, increasing 44.2 thousand people compared to Q1/2017. The unemployment rate of this group is 3.63% (last quarter was 2.79%). The group of unemployed people with college degree has 82.6 thousand people, decreasing 21.6 thousand people compared to Q1/2017. The unemployment of this group decreases to 4.96%, however, still stands the highest point. The group of secondary level has 92.7 unemployed people, increasing 9.4 thousand people, unemployment rate at 3.5%.

Figure 5. Number of unemployed in working age by qualification

Unit: thousand people



Source: GSO (2016, 2017), Quarterly Labor Force Survey.

Compared to Q1/2017, the number of young people increases by 26.6 thousand people, reaching 575.1 thousand people; the unemployment rate is at 7.67%.

According to 8 economic regions, the Southeast and Mekong Delta have the highest unemployment rates (2.95% and 2.65%, respectively); Northern mountainous area and Midlands and Central Highland have the lowest rates (0.95% and 1.05%).

Long-term unemployed people (12 months or more) accounted for 24.5% of the total number of unemployed people.

Table 6. Unemployment rate of people in working age

Unit: %

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
General	2.29	2.34	2.31	2.30	2.26
Male	2.23	2.40	2.31	2.52	2.47
Female	2.36	2.27	2.31	2.04	2.01
Urban areas	3.11	3.23	3.24	3.24	3.19
Rural areas	1.88	1.89	1.84	1.83	1.79
Unskilled	1.86	1.84	1.78	2.01	1.88
Elementary vocational training	1.76	1.76	2.17	2.12	1.90
Secondary vocational training	3.21	3.20	2.74	3.08	3.50
College	6.25	7.50	7.38	6.00	4.96
University or higher	4.00	4.22	4.43	2.79	3.63
Youth (15-24)	7.10	7.86	7.28	7.29	7.67
Adults (≥25)	1.32	1.20	1.31	1.37	1.25

Source: GSO (2016, 2017), Quarterly Labor Force Survey

b. Underemployment

The number of underemployed people at the working age increases in quantity and proportion compared to Q1/2017

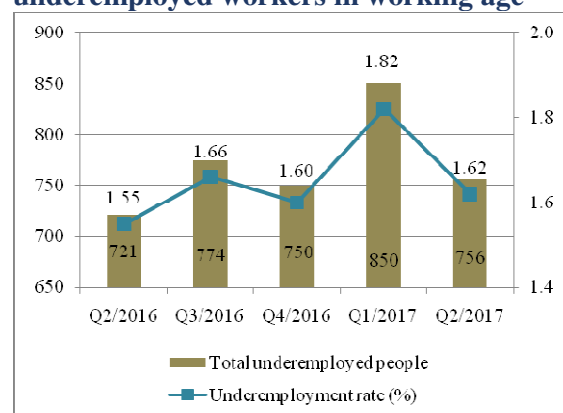
Q2/2017, there are 756 thousand underemployed workers³, decreasing 94 thousand people compared with Q1/2017 but increasing 35 thousand people compared to Q2/2016. The underemployment rate in working age is 1.62%, declining 0.2 percentage point compared to Q1/2017.

In the total of the underemployed, there are 82% people from rural areas, 74% people working in agricultural, forestry and aquaculture sector.

The average number of working hours per week for underemployed workers is 22.7 hours, just as much as 51% of the country's total hours worked (45 hours per week).

³ The underemployed are people who have working time fewer than 35 hours in the surveyed week with desire and readiness to work.

Figure 6. Number and percentage of underemployed workers in working age



Source: GSO (2016, 2017), Quarterly Labor Force Survey

6. Labor supply-demand match

The information about the labor demand and supply from MOLISA's portal in Q2/2017 as follows:

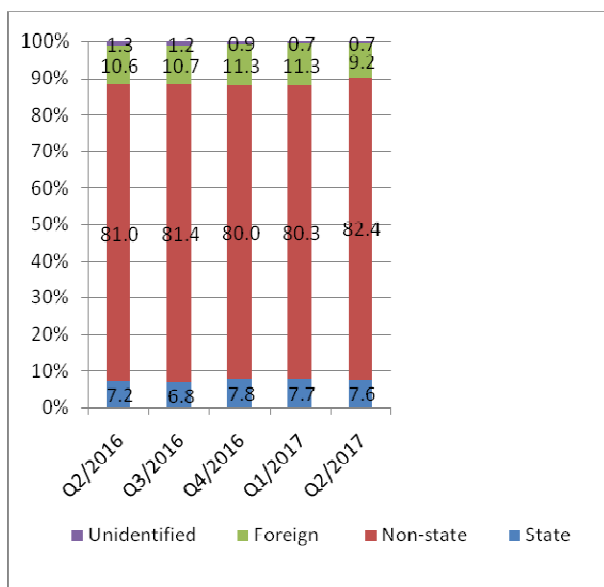
- Labor demand:

Q2/2017, there are 254.4 job positions which are offered by enterprises for recruitment, decreasing 16.2 thousand people (7.2%) compared to Q1/2017.

The demand for female workers accounts 56.4%, decreasing 0.8 percentage point compared to Q1/2017 (57.2%).

The demand for labor in non-state companies accounts 82.4%, increasing 2.1 percentage point compared to Q1.2017.

Figure 7. The demand for labor by types of enterprises



In Q2/2017, some jobs have high demand of recruitment are “unskilled labor” (accounting for 49.8%, up 2.1 percentage point compared to Q1/2017), “garment and textile” accounts for 17.2 %, decreasing 14.4 percentage point compared to Q1/2017.

- Labor Supply:

There are 30.4 thousand people seeking for jobs, increasing two times compared to Q1/2016, of which the number of female people is 13.6 thousand, accounting for 44.8%, increasing 6.7 thousand people (95.6%) compared to Q1/2017.

Among people seeking for jobs, the group of people with secondary vocational training accounts for 4.7 thousand people, accounting has the highest number, 9.1 thousand people (accounting for 29.9%), increasing 4.3 thousand people compared to Q1/2017. The group of people with college degree accounts for 30 %

and group of university degree takes up 18%, increasing by 3.1 and 3.0 thousand people respectively compared to Q1/2017.

In term of occupation, "accounting-auditing" job sees the highest number of job seekers (7.1 thousand people, accounting for 23.4%), increasing 3.5 thousand people compared to Q1/2017. The following group is “human resource” (2.3 thousand people, accounting for 7.1%), increasing 1.2 thousand people compared to quarter 1/2017, and “electricity and electronic” (2.1 thousand people, accounting for 6.9%), increasing by 1 thousand people compared to Q1/2017.

Table 8. The demand of workers for searching jobs in job portal

Unit: %

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
Total	100.0	100.0	100.0	100.0	100.0
<i>By gender</i>					
Male	52.3	51.9	52.3	55.2	55.2
Female	47.7	48.1	47.7	44.8	44.8
<i>By technical profession</i>					
Without qualification	20.0	18.8	18.7	19.1	17.2
Elementary	13.1	12.8	13.3	13.3	13.8
Secondary	30.9	30.6	30.0	30.4	29.9
College	19.2	20.0	20.3	21.3	21.0
University and higher	16.8	17.6	17.6	15.9	18.0

Source: ILSSA collected from MOLISA's portal

SECTION 2. RESULTS OF IMPLEMENTING SOME LABOR MARKET POLICIES

Job introduction via job center of labor, invalids and social affairs (LISA) sector:

In Q2/2017, 63 job introduction service centers which are managed by LISA sector organize 291 job transactions, increasing 24 transactions compared to Q1/2017 and

increasing 3 transactions compared to Q2/2016. The number of people that are advised and introduced are 729,238 (increasing 8,783 people turns compared to Q1/2017 and increasing 1,238 people turns compared to Q2/2016), of which 232,900 people received jobs(increases 4,545 people

turns compared to Q1/2017 and increases 4,900 people compared to Q2/2016).

Sending laborers to work overseas for a definite contract:

According to the reported data from enterprises, in the second quarter of 2017 34,852 people were employed under overseas contracts, of which (37.24% were female). Oversea markets include: Taiwan market has 16,534 people (47.44%); Japanese market has 13,525 people (38.81%), Korean market has 2,444 people (7.01%); Arab – Saudi market, Malaysia and others has 2,349 people (6.74%).

In the first 6 months of 2017, the total Vietnamese laborers working overseas is 57,424 people (21,249 female workers), increasing 6.08% compared to the same period last year.

The enterprises are authorized to send workers to work overseas to the end of Q2/2017 is 285 enterprises (of which: 15 state

enterprises, 213 joint stock companies is 213, 57 limited liability companies)

Unemployment Insurance:

Q2/2017, the country has 220,889 participants with unemployment insurance, increasing by 17.3% (35,542 people) compared to same period last year and increasing 84.1% (100,920 people) to Q1/2017. Garment and textile, leather shoes, dyeing, fashion design sector accounts for 34.93%.

The reason for unemployment: 43,82% due to termination of the labor contract, employment contract or agreement of two parties on terminating labor or employment contract; 38,23% due to unilateral terminating the labor contract and employment contract; 3,21% because enterprises go bankruptcy and dissolving or changing technology structures; 1,44% due to disciplinary actions and dismissal and 13.24% due to other causes

Table 9. The status of Unemployment insurance implementation

Unit: person

	2016			2017	
	Q2	Q3	Q4	Q1	Q2
Number of people registering to enjoy unemployment insurance	188,347	283,810	134,635	119,969	220,889
Number of people having decisions of enjoying unemployment allowance	173,278	257,369	147,914	102,367	218,999
Number of people transferring to enjoy unemployment allowance	655	1,145	759	687	885
Number of unemployed with advise	260,816	402,225	229,632	194,214	322,916
<i>Of which: Number of people enjoy job instruction</i>	<i>43,045</i>	<i>65,004</i>	<i>38,055</i>	<i>28,363</i>	<i>48,537</i>
Number of unemployed people having decisions of being supported for vocational training	6,723	11,986	7,437	5,954	8,836

Source: Department of Employment, 2016, 2017..

In the second quarter of 2017, there are 218,999 turns of people who are decided to enjoy unemployment allowance, increasing 113.9% (116,632 people) compared to

Q1/2017 and increasing 26.4% (45,721 people) compared to the same period last year. The proportion of female workers who enjoy monthly unemployment allowance decision

accounts for 56.2%. The proportion of workers aged 25-40 years having unemployment allowance decision still remains at high level (male 69.8%, female 68.2%). It means that this group is easily influenced by labor market fluctuation and the tendency of unemployment in young people increase.

There are 322,916 turns of people who are recommended for employment counseling and 48,537 turns of people who are introduced job, an increase of 12.8% (+ 5,492 people) in Q2/2017 compared to the same period of 2016.

8,836 unemployed people are supported to attend vocational training in Q2/2017, accounting for 4.0% of people having unemployment allowance decision), an increase of 31.4% (2,113 people) over the same period in 2016. There are 153 people who are not eligible for unemployment allowance, are supported vocational training, equal to 1.7% compared to total unemployed people having vocational training support decision.

Social Insurance:

Social insurance participation:

Till the end of Q2/2017, total number of social insurance participants of the country is 13,411 thousand people. Of which: the

number of compulsory Insurance participants is 13,170 thousand people, increasing by 70 thousand people (0.53% compared to Q1/2017 and 6.74% compared to the same period last year). The number of voluntary participants is 241 thousand people, increasing by 6 thousand people (2.6%) compared to Q1/2017.

The proportion of participants to labor force is 24.6%, higher than that of Q1/2017 (24.09%).

The status of receiving social insurance schemes:

In the first 6 months, there are 4.8 million turns of people receiving social insurance schemes. Of which: there are 62,041 people benefited monthly allowance (51,265 people enjoy monthly pension; 9,626 people enjoy survivorship allowance; 1,150 enjoy occupational accidents and diseases); 326,953 people receive lump-sum (269,747 people enjoy social insurance lump-sum, and 34,288 people enjoy lump-sum allowance beyond pension), and 4,100,252 turns of people benefit from illness, maternity and healthcare schemes.

In the first six months of 2017, the estimated social insurance expenditure is 82,139 billion dong, of which: SI expenditure from the State budget is 21,313 billion dong and from SI fund is 60,826 billion dong.

Table 10. Social Insurance participation

Expenditure	Unit	2016			2017	
		Q2	Q3	Q4	Q1	Q2
Total number of participants (thousand people)	Thousand people	12,530	12,694	13,065	13,335	13,411
The share of participants to labor force (%)	%	23.05	23.35	23.95	24.09	24.60
By type						
Compulsory	Thousand people	12,338	12,500	12,862	13,100	13,170
Voluntary		192	194	203	235	241
Compulsory social insurance debt	Billion dong	9,242	8,982	6,551	10,001	10,505.1

Source: Vietnam Social Insurance, 2016, 207

SECTION 3: LABOR MARKET POTENTIAL

GDP in Q3/2017 is forecasted to be about 6.9%⁴, having positive impact on labor market. According to GSO, in the first 8 months of 2017, the number of newly-established enterprises will increase, especially in wholesale and retail sector (accounting for 36%), construction (12.9%), manufacturing and processing sector (12.9%)⁵. There are 20.1% of enterprises forecasting to increase labor scale. Moreover, the increase of import value of equipment and machines (in the first 6 months of 2017) continues to have a positive impact on job demand in sectors.

Q3/2017, it is forecasted that the number of employed workers will increase in the following sectors: manufacturing and processing (320 thousand people); construction (136 thousand people); transportation and warehouse (169 thousand people). Some sectors are predicted to grow in employment including clothing production, leather production and other relevant products; electronic production, computer production, furniture production. Some sectors are predicted to decline including exploitation, water supply, and mining.

The newsletter was conducted by the cooperation of the General Statistics Office and some functional units of the MOLISA, Institute of Science, Labor and Social Affairs, Department of Social Insurance, Department of Employment, Department of Overseas Labor, Directorate of Vocational Training, Labor and Social Affairs Information Centre

Responsible Publisher: THE MINISTRY OF LABOR – INVALIDS AND SOCIAL AFFAIRS

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⁴ UBGSTCQG (2017), Report on economic situation 6/2017

⁵ The socio-economic situation 8/2017